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## MEMORANDUM

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FROM:

Tom Broderick

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Director

Utilities Division

2016 APR - 1 P 3: 20

AZ CORP COMMISSION DOCKET CONTROL

DATE:

April 1, 2016

RE:

RED ROCK UTILITIES, LLC - REQUEST FOR EXTENSION OF

COMPLIANCE DEADLINE (DOCKET NO. WS-04245A-07-0363 -

DECISION NO. 70030)

In Decision No. 70030, dated December 4, 2007, the Arizona Corporation Commission ("ACC" or "Commission") approved the application of Red Rock Utilities, LLC ("Red Rock" or "Company") for a Certificate of Convenience and Necessity ("CC&N") to provide water service in Pima County, Arizona.

As part of Decision No. 70030, the Commission ordered that Red Rock:

"... file within 24 months of the effective date of this Decision a copy of the "Approval to Construct" for Phase I issued by the ADEQ."

Red Rock has previously received approvals for several extensions of time in this matter. On March 19, 2014, the Commission issued Decision No. 74392 which extended the due date on the above compliance item until December 4, 2015.

On August 25, 2015, Red Rock docketed a subsequent request for extension of time seeking to extend the current December 4, 2015 deadline to December 4, 2017. The required ATC relates to Phase I of the Verano master-planned community ("Verano"). The application outlines that the financial crisis and recession kept the South Wilmot Land Investors, LLC ("SWLI"), the developer, from "implementing the original timeline for development of Verano". It further mentions that SWLI became involved with Pima County in generic land management issues and that the construction of the water system had been postponed "pending further discussions with Pima County".

Based on all of the above, Staff does not object to the Company's request for an extension of time in this matter and recommends a 10-year extension of time for the ATC requirement outlined above. Staff therefore recommends that the Commission extend the due date for the provision of the ATC needed to serve Phase I in the requested area until December 4, 2025.

TMB:BKB:nr/RRM

Originator: Brian K. Bozzo

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Mark Company

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SERVICE LIST FOR: RED ROCK UTILITIES, LLC DOCKET NO. WS-04245A-07-0363

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Mr. Dwight Nodes Chief Administrative Law Judge, Hearing Division Arizona Corporation Commission 1200 West Washington Street Phoenix, Arizona 85007